

Compliance

Progress. Diversity. Inclusion.

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CITY OF MEMPHIS-OFFICE OF CONTRACT COMPLIANCE NEWSLETTER

JULY 2010

Message from the Mayor



City of Memphis
Mayor A C Wharton, Jr.

In our continued efforts to promote and support locally owned minority, women, and small businesses, the City of Memphis has started uploading all of its contracts and purchase orders onto the web. *The Contracts on the Web* portal, located at www.memphistn.gov/business, contains all city contracts and purchase orders created or amended July 1, 2009, to the present. Through *Contracts on the Web*, we hope to provide transparency in government to all citizens doing business with our city.

Furthermore, when businesses begin looking for opportunities to provide services or supplies to the City of Memphis, *Contracts on the Web* will provide a place for them to see what type of contracts are available to assist their strategic planning process. For contracts already awarded, *Contracts on the Web* lists a description of the contract, shows what

the city spent on the commodity, and the vendor who received the project. This will give vendors an idea of how much was spent, the scope of the services, and the duration of past city contracts when they go to bid on current city contracts, listed as Current Solicitations.

We hope *Contracts on the Web* will facilitate new relationships with our locally owned minority, women, and small businesses and we welcome them to pursue city contracts.

Warm regards,

A C Wharton, Jr.

A C Wharton, Jr.
Mayor

City of Memphis OFFICE OF CONTRACT COMPLIANCE

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Featured Certified M/WBE

Omni Staffing Plus, Inc.

**"Specializes in Providing Corporations and
Government Agencies with Top Talented Professionals"**

Recently, the Office of Contract Compliance had an opportunity to meet Dinah Terry, the President/CEO of Omni Staffing Plus, Inc. As a locally owned and operated minority business, Omni Staffing Plus is a staffing provider that specializes in placing administrative, clerical, customer service and light industrial candidates with corporations and government agencies.



**"As owner of Omni Staffing Plus, Inc. The
Company's ten year track record speaks for itself.
My Goal was to build a quality business and
obtain long term relationship with my Clients."**

-Dinah Terry, President/CEO

(MCS) and Lemoyne-Owen College.

Omni Staffing Plus began providing the Memphis area with qualified professionals in 1999. Since its inception, Omni Staffing Plus has been uniquely dedicated to recognizing and recruiting the best and brightest candidates for temporary and permanent job placement. After assessing candidates' skills, Omni Staffing Plus will make every effort to place employees with the best matched prospect available.

For additional information please contact:

Dinah Terry, President/CEO

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Compliance NEWS

Coming Soon! City of Memphis' Small Business Enterprise Program

In an effort to ensure economic opportunities in the Memphis Metropolitan Statistical Area (MSA) are equally available to all individuals or businesses, including minority and women-owned businesses, regardless of race, gender or ethnicity, the City of Memphis will be launching the Small Business Enterprise (SBE) program within the next few weeks.

According to the United States Bureau of Census, SBEs represent 89% of the businesses in the United States and 30% of the business revenue nationwide. In fact, in the Memphis MSA, 73% of establishments have less than 10 employees and 94% of establishments have less than 50 employees.

The purpose of the SBE program is to promote the economic welfare of the people of the City of Memphis, to encourage full and equal business opportunity for all persons doing business with the City of Memphis, and to enhance business opportunities by assisting SBEs to actively participate in the City's procurement process.

The City of Memphis has set a goal of 25% for SBEs. This is consistent with the federal SBE goal of 25% and lower than the availability of SBEs in the marketplace. Although the goal is 25%, we encourage participation greater than 25%. Moreover, the City of Memphis is committed to providing SBEs with assistance in technical training, capital and financing, bonding for contracts, as well as identifying and gaining access to a broad array of business markets.

In conclusion, there will be a periodic review and reporting on the implementation and operation of this program to make certain that it continues to effectuate competitive opportunities for all businesses.

For additional information about the program please visit our web site www.memphistn.gov/business.

Relocation: The Office of Contract Compliance

We are pleased to announce effective June 11, 2010, the relocation of the OCC.

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NATIONAL NEWS

6th Annual National Veteran Small Business Conference & Expo

The Annual National Veteran Small Conference & Expo will be held in Las Vegas, NV at Caesars Palace, 3570 Las Vegas Boulevard, beginning Monday, July 19, 2010 to Thursday, July 22, 2010. This event will bring together over 3,200 attendees from Veteran-Owned and Service-Disabled Veteran-Owned Small Businesses (VOSB/SDVOSBs), Federal Agencies and departments, and prime contractors to share information of how to do business jointly.

*For additional information please contact:
www.nationalveteransconference.com.*

Conference of Minority Transportation Officials National Meeting and Training Conference

The Conference of Minority Transportation Officials (COMTO) is the premier organization for training, education and professional development of minority transportation professionals. This conference will be held at the Crown Plaza Cleveland City Centre Hotel in Cleveland, Ohio. This year the conference will focus on "Planes, Trains, Automobiles and Buses-Promoting Livable & Sustainable Communities." The COMOTO 2010 will begin Saturday, July 10, 2010 to Tuesday, July 13, 2010.

*For additional information please visit
www.comto.org/news-events.php?event_id=95.*

2010 National Minority Enterprise Development Week Conference

The National Minority Enterprise Development (MED) Week is a major federal conference dedicated to empowering minority business owners with knowledge and tools for necessary for success. This year's MED Week will concentrate on "Strategies for Growth and Competitiveness in the Global Economy." The event will be held at the Omni Shoreham Hotel, Washington, DC beginning Monday, August 23, 2010 to Friday, August 27, 2010.

For additional information please visit <http://www.medweek.gov>.

Vendor Day: Women-Owned Small Business

The Office of Small and Disadvantaged Business Utilization (OSDBU), will be hosting "Vendor Day," July 26, 2010. The conference will focus on procurement opportunities at the Department of Transportation (DOT) with an emphasis on Woman Owned Small Businesses (WOSBs). The Vendor Day will include panel sessions on issues related to WOSBs and public policy and initiatives underway at DOT to promote contracting opportunities for small businesses. This event will be held at the DOT Headquarters, West Atrium, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590

*For additional information please visit
www.osdbu.dot.gov/Conferences/OSDBUVendorDay_072610.cfm.*



Rodney Strong, Esq.

TRENDSETTER

Griffin & Strong, P.C.

Exclusive Interview: Rodney Strong, Esq., of Griffin & Strong, P.C.
by Joyce Douglas, Contract Compliance Analyst

Rodney Strong, Esq. is an owner of Griffin & Strong, P.C. (GSPC), a law and public policy consulting firm which serves government and corporate clients. He received his B.A. in Political Science from Morehouse College and his Juris Doctorate from the University of Memphis Cecil C. Humphrey School of Law School. Also, Mr. Strong served as Contract Compliance Officer for the City of Atlanta under former Mayor Andrew Young and Mayor Maynard Jackson.

In fact, GSPC is the firm that conducted the City of Memphis' most recent *Disparity Study*, and we would like to thank Mr. Strong for agreeing to talk to the *Compliance Online Newsletter* about the most recent "Study."

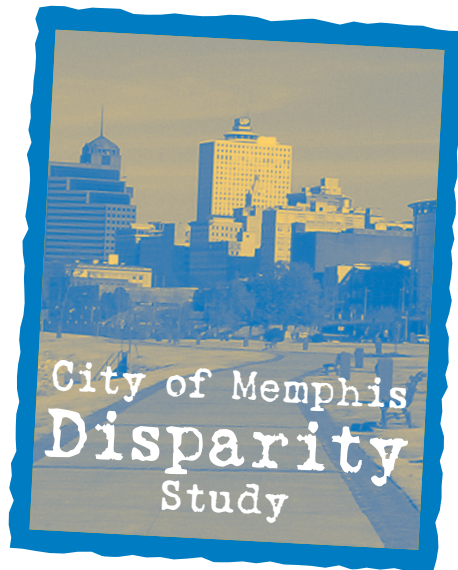
Joyce: Mr. Strong, what is the purpose of a disparity study?

Rodney Strong: A disparity study is an analysis of government procurement processes to determine whether the process is affected by either discrimination or the present effects of past discrimination against women or racial or ethnic minorities. In 1989, the Supreme Court ruled in a case styled *J. A. Croson v. City of Richmond*, that in order to have programs which give preference to minority and women businesses, government had to demonstrate, through compelling evidence, a need for such programs. State and local governments are constitutionally required to determine if their procurement process is impacted by discrimination. Disparity studies are designed to make that determination.

Joyce: What other cities or states has Griffin & Strong, P.C. completed similar disparity studies for?

Rodney Strong: Griffin & Strong, P.C. (GSPC) has done over twenty (20) disparity studies. I oversaw the City of Atlanta Disparity Study in 1989-90 as a government official, and after I left the government and started GSPC, we conducted our first disparity study for the City of St. Louis, Missouri in 1994. Within the last three years, we have completed disparity studies for the Metropolitan Nashville Airport Authority; Durham County, North Carolina; Metropolitan Government of Nashville and Davidson County, Tennessee; the State of Tennessee, and the City of Memphis. We are currently conducting a study for the City of Jackson, Mississippi.

Joyce: What methodology was used to conduct the study?



Rodney Strong: The methodology we used was based on the case law in the U. S. Court of Appeals for the Sixth Circuit, as well as on solid economic principles.

Joyce: How were local businesses included?

Rodney Strong: We conducted public hearings where we invited businesses from the community to testify and we conducted a number of anecdotal evidence interviews with local businesses. Local businesses were analyzed in all of our statistical data.

Joyce: What were the findings of the private sector?

Rodney Strong: Disparities in entry into and earnings from self-employment exist between non-minority males, minorities and women after controlling for education, age, wealth and other variables; loan denials and interest rates are significantly higher for minority and women-owned businesses than for non-minority males; and there were substantial disparities between the availability of MWBEs and their utilization in the private marketplace. The public sector used more MWBEs in proportion to its spending than did the private sector commercial construction market.

Joyce: Since the study in 1994 have there been improvements?

Rodney Strong: Since the 1994 study, there have been improvements. The City has improved utilization of MWBEs during the course of the study period (mentioned in a previous question), consistently set and met aspirational goals, established a strong local business program, provided outstanding management and technical assistance to MWBEs, collaborated with existing financial assistance providers to assist MWBEs in strengthening their contracting power, provided MWBE outreach workshops and seminars and issued contracts in smaller dollar amounts, thus expanding the opportunity for small businesses.

Joyce: What is the solution to fairness in contracting?

Rodney Strong: After twenty-five (25) years in this area, my experience is that there is no substitute for leadership and commitment at the highest levels of the government to fairness in contracting. The governments that are most successful make fairness in contracting central to their mission, and see it as

a beneficial to all their citizens. In those organizations that are very successful, the message is constantly reinforced by elected and appointed officials, and it is also reflected in the fact that adequate staff resources are placed in the Office of Contract Compliance to ensure monitoring and enforcement of values espoused by leadership.

Joyce: How does the City of Memphis compare to other government entities as it relates to diversity efforts and programs?

Rodney Strong: I would rate the City of Memphis in the middle of the pack. There is a good ordinance in place in Memphis and there is a small, dedicated staff in the Office of Contract Compliance, but I think that the values of fairness in contracting are not communicated and disseminated as forcefully throughout the organization as they are in some other organizations that I've analyzed. The staffing is simply inadequate to provide the level of monitoring and enforcement that would put Memphis in the category of cities that are successful in substantially growing the population of minority-owned businesses. However, there are other governments that I've analyzed that do substantially less than the City of Memphis, which is why I rank Memphis in the middle of the pack.

TRENDSETTER CONTINUED

Joyce: Any parting words or thoughts?

Rodney Strong: I am a native Memphian. I lived through the Civil Rights Movement in Memphis as a child, so it was a thrill for me to be able to provide services to my home town, which I love dearly. I hope that this work will lead to a strengthening of Memphis' efforts in this area because I would like nothing more than to be able to say that Memphis is the leading city in the nation when it comes to fairness in contracting and I see no reason that it shouldn't be.

Joyce: Mr. Strong, again thank you for taking the time to share your experiences and expertise with the OCC and the City of Memphis' business community.

MISSION

Minority and Women Business Enterprise Program

The Office of Contract Compliance serves as the support agency and administrative arm to the Minority and Women Business Enterprise (M/WBE) Participation Program. The mission of the Office of Contract Compliance is to ensure that the legislative intent of City Ordinance #4388, which created the M/WBE Program, is carried out in all procurement activities and opportunities. Areas of administrative authority and/or enforcement include the three major areas of City procurement activity: goods and non-professional services, construction and professional services.

Current M/WBE Goals

Construction 25%

Professional Services 24%

Goods & Non-Professional Services 37%

EVENTS

SUN MON TUE WED THURS FRI SAT
Save The Date

Workshop Series

"How to do Business with the City"

Monday, July 26, 2010 @ 6:00pm – 7:30pm

Benjamin Hooks Central Library

3030 Poplar Ave.

Limited Seating:

Please call and reserve your seat @ 901.636.6210



Carlee M. McCullough, Esq.

PUBLISHER'S CORNER

How To Start A Business Part 3. The Business Plan

The business plan is considered the roadmap of any successful business venture. We focus on the financial business plan because most business concepts need an infusion of money at some point. This means that seeking investors or lenders for your project will likely be the starting point for any deal. Any serious prudent investor or banker will want as much information as possible about the profitability, management, and direction of the company seeking its funds.

What is a Business Plan?

The business plan is a comprehensive and detailed summary of a business concept. It details what you are trying to accomplish and how you plan to get there by including the objectives and goals, management expertise, and actual and/or projected financials. Keep in mind that a business plan is a living document which should be adjusted periodically to reflect unexpected events that frequently occur in the lifecycle of a business.

Business Plan Components

The basic components of a business plan include an Executive Summary, Description of the Business, Market Analysis Section, Financial Data, and Management Summary.

Executive Summary: Most experts recommend that you do the Executive Summary last because it should summarize the other sections and explain the purpose of the business plan. If the document was prepared to get an infusion of money to the business, then you should also summarize what will be done with the funds and explain how the business expects to repay the money.

Description of the Business: This section should include a detailed comprehensive description of the business and its mission statement. Also include the name, address, and nature of the business. Be sure to begin with the status of the project: startup, expansion of an ongoing business, or acquisition of an existing business. In addition, describe the business structure: whether it is a sole proprietorship, partnership, corporation or limited liability company, etc.

Market Analysis: Most investors and bankers prefer business owners to not only know their service or product, but also know the competition. In order to provide an analysis of the market, this section should include competitive data, industry trends, and pricing strategies.

Financial Data: This section should include capital equipment and supply list, balance sheet, breakeven analysis, proforma income projections (profit and loss statements), three to five year summary, a detail by month for the first year, assumptions upon which projections were arrived, and a proforma cash flow statement.

Management Summary: In this section, be sure to outline your management team and organizational structure in detail. At a minimum, the resumes of your management team should be included. An organization chart may help demonstrate the structure and personnel needs of the business.

Resources to Create a Business Plan

The following organizations provide great support and guidance for developing a Business Plan: Renaissance Business Center (RBC), 555 Beale St., 901.526.9300; Small Business Association (SBA), 555 Beale St., www.sba.gov; Service Corps of Retired Executives (SCORE), www.SCORE.org; and the Tennessee Small Business Development Counselors (TSBDC), 901.526.9300.

Join us next month for "Part 4 -Show Me the Money."

Carlee M. McCullough

Carlee M. McCullough, Esq.
Contract Compliance Officer